

SUMMARY ANALYSIS OF AMENDED BILL

Franchise Tax Board

Author: Escutia Analyst: Gloria McConnell Bill Number: SB 777

Related Bills: See Prior Analysis Telephone: 845-4336 Amended Date: 05/29/03

Attorney: Patrick Kusiak Sponsor: _____

SUBJECT: Whistleblowers' Protection

DEPARTMENT AMENDMENTS ACCEPTED. Amendments reflect suggestions of previous analysis of bill as introduced/amended _____.

AMENDMENTS IMPACT REVENUE. A new revenue estimate is provided.

AMENDMENTS DID NOT RESOLVE THE DEPARTMENT'S CONCERNS stated in the previous analysis of bill as introduced/amended _____.

FURTHER AMENDMENTS NECESSARY.

DEPARTMENT POSITION CHANGED TO _____.

☒ REMAINDER OF PREVIOUS ANALYSIS OF BILL AS INTRODUCED STILL APPLIES.

☒ OTHER - See comments below.

SUMMARY

This bill would expand whistleblower protection laws to:

- Prohibit employers from taking retaliatory actions against employees who refuse to participate in illegal activity and impose a \$10,000 penalty on corporations and limited liability companies (LLCs) that violate this prohibition;
- Require the Attorney General (AG) to maintain a "whistleblower hotline" to receive information about illegal activity; and
- Impose civil penalties on corporations or LLCs that fail to report wrongdoings of the corporation or LLC.

SUMMARY OF AMENDMENTS

The May 29, 2003, amendments remove the provisions that would have imposed civil penalties on corporate and LLC officials who fail to report wrongdoings of the corporation or LLC. These amendments would not affect state tax revenues or Franchise Tax Board's programs or operations.

POSITION

Pending.

Board Position:

<input type="checkbox"/> S	<input type="checkbox"/> NA	<input type="checkbox"/> NP
<input type="checkbox"/> SA	<input type="checkbox"/> O	<input type="checkbox"/> NAR
<input type="checkbox"/> N	<input type="checkbox"/> OUA	<input checked="" type="checkbox"/> PENDING

Legislative Director

Date

Brian Putler

6/9/03

ANALYSIS

As addressed in FTB's analysis of the bill as introduced, this bill would not significantly affect FTB's programs or operations, nor would this bill affect state tax revenue.

LEGISLATIVE STAFF CONTACT

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